BUDGET RESOLUTION/Social Security Earnings Test

SUBJECT: Senate Concurrent Budget Resolution for fiscal

Senate Concurrent Budget Resolution for fiscal years 1996-2002 . . . S. Con. Res. 13. Domenici (for McCain) substitute amendment No. 1167 to the Exon (for Lautenberg) amendment No. 1166.

ACTION: AMENDMENT AGREED TO, 97-3

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

The Lautenberg amendment would adjust the spending and revenue levels in the budget resolution to increase the total amount collected in taxes by \$1.771 billion over the next 7 years and to increase spending under function 700 (Veterans Benefits and Services) by the same amount. The intent of the amendment would be to raise revenue by stopping wealthy Americans from avoiding the payment of taxes by renouncing their citizenship, and to spend that revenue on Veterans programs.

The McCain second-degree substitute amendment to the Lautenberg amendment would delete the Lautenberg amendment's tax and spending increases, and would express the sense of the Senate that "the assumptions underlying the functional totals in this resolution include that the increased revenues resulting from the revision of the expatriate tax loophole should be used to eliminate the earnings penalty imposed on low and middle income senior citizens receiving social security."

The McCain amendment was offered after all debate time on the resolution had expired.

NOTE: Following the vote, the Lautenberg amendment, as amended, was adopted by voice vote.

(See other side)

YEAS (97)				NAYS (3)		NOT VOTING (0)	
Republican (54 or 100%)		Democrats (43 or 93%)		Republicans (0 or 0%)	Democrats (3 or 7%)	Republicans	Democrats (0)
						(0)	
Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato De Wine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield Helms	Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Packwood Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thompson Thurmond Warner	Akaka Baucus Biden Bingaman Boxer Bradley Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Feingold Feinstein Ford Glenn Graham Harkin Heflin	Hollings Inouye Johnston Kennedy Kerrey Kerry Kohl Lautenberg Leahy Levin Lieberman Moseley-Braun Murray Nunn Pell Pryor Reid Robb Rockefeller Sarbanes Simon Wellstone		Exon Mikulski Moynihan	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	nced Yea nced Nay Yea

VOTE NO. 202 MAY 24, 1995

No arguments were expressed either in favor of or in opposition to the McCain amendment.